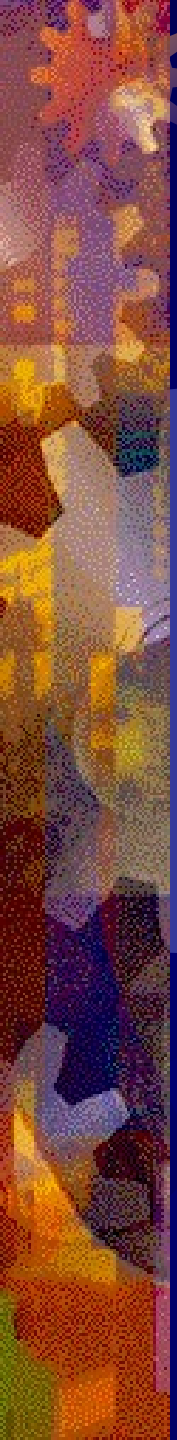


BUMED Business Plan Assumptions and Guidance for FY 05

BUMED Performance Measures and Performance Objectives

BUMED Business Planning Team

M1, M3M, M8, HSOs, NMETC, NMIMC

BUMED Business Planning Assumptions

- Alignment
  - BUMED sets the strategic direction and MTFs develop business plans that will help the corporation achieve the vision.
- Our vision is to be provider of choice for both our beneficiaries and our benefactors.
- We will focus on productivity but we must maintain clinical quality, access to care, customer satisfaction and staff quality of life.

Improving Data Quality

- Decisions are being made right now using our workload and expense data but we know that we lack processes and management controls so our data is flawed.
- This must improve or we will be unfairly judged.

Financial Realities

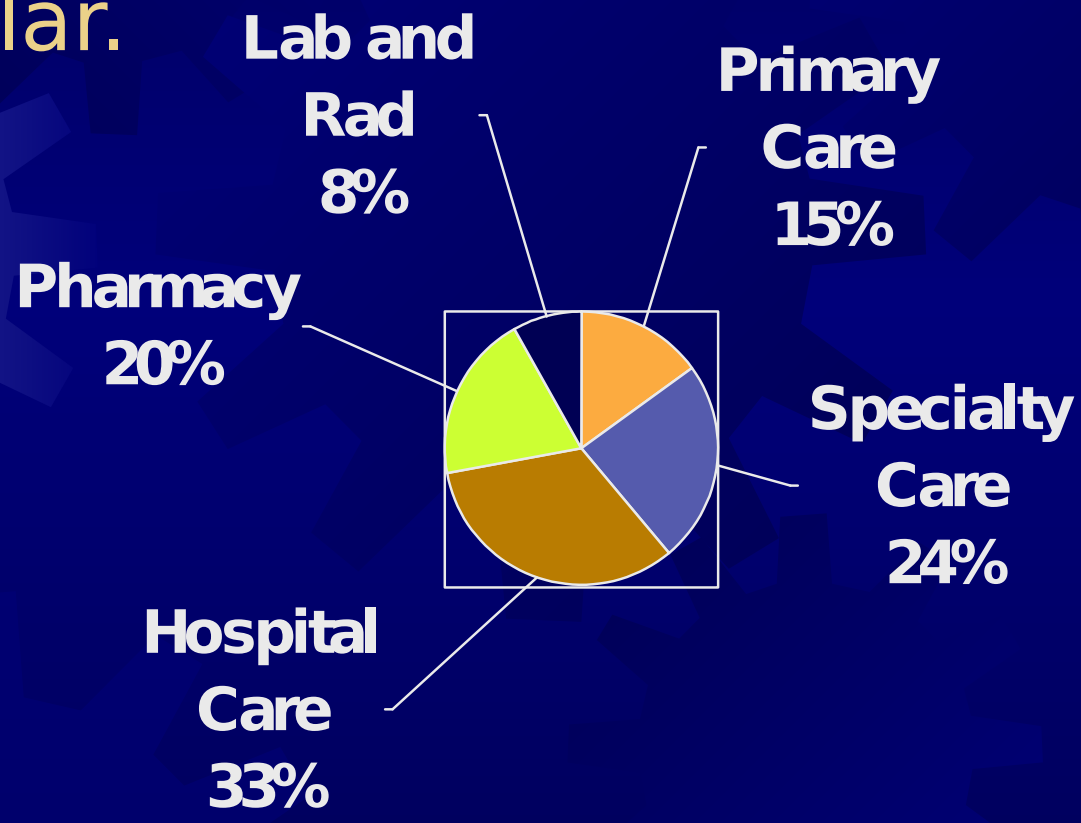
- The FY 05 Budget will not be larger than the FY 04 Budget.
- All FY 05 Business Plans must be “Budget Neutral”
- Commanding Officers are now responsible for the operating expenses of their MTF and the Network Expenses incurred by their enrollees. All FY 05 Budgets will include the Network Expenses that were incurred in FY 02 (adjusted for inflation.) If network expenses are greater than FY 02 levels, the budget will not be executable.

Note: Regions 1,2,5 will use FY 03 levels to set goals.

Enrollment as a cost driver.

- You are obliged to enroll at least as many beneficiaries as were enrolled in FY 2002.
- Any additional enrollees will incur network costs.
- The amount of care that you can provide for your patients is limited by your mission and core businesses.
- Finding less expensive sources for “out of MTF” care for enrollees is a key to success.
- You can only enroll additional beneficiaries if you can reduce the PMPM rate for enrollees in the network so that you do not increase MTF expenses.

How much care can you make and how much must you “buy”? The breakdown of the capitated dollar.



Priorities for Providing Care and for Enrollment

- AD
- ADFM
- Retirees
- Over 65

Note: You must maintain space for AD operational forces, students, reservists, etc, even if that means limiting the number of enrollees. We do not want to be sending AD members “down town”.

Output Driven Resource Allocation – Both Capitation and Fee for Service

- You will "receive" a capitated budget for your enrollees and you will be budgeted on a "fee for service" basis for all space A.
- You win if you:
  - Eliminate unnecessary utilization
  - Reduce your cost per unit of service.
- This is the situation faced by most private health care systems.

Measures of Production and Efficiency (Not effectiveness)

- Work RVUs
- Provider Availability
- CMAC Value of Care
- RVUs/8H of Clinical Time
- Operating Margin (Value of Care – Operating Expenses)

T NEX Issues

- FY 02 Level of Effort must be maintained. (Total RVUs)
- MTFs are responsible for all appointing and UM.
- Enrollment will be driven by MTF business rules and will depend on the accuracy of CHCS provider files.
- RSAs will be maintained at the total Navy FY 02 level of effort but, each RSA must pass a test of financial viability.

Data Sources

- The official sources for all data in the business plans will be:
  - M2 expense, production and customer service data as contained in the BBPT
  - Local CHCS workload data fed to the BBPT
  - Local SPMS personnel data fed to the BBPT
  - TOC CHCS appointment data from local CHCS hosts
  - EMPARTs readiness data
  - EAS IV/SMART for Financial Data
  - PDTS Pharmacy Data
- Our goal is to have a single, verifiable, and readily available source for MTF performance data.
  - Both planning and monitoring!
- The key indicator of data quality will be the Commanding Officer's DQ Statement.

Human Resources Management

- MILPERS counts in the calculation of total expenses.
- The distribution system will not change for FY 05.
  - Current military will likely be replaced.
  - Unfilled billets will likely remain unfilled.
- All labor expenses must be captured and accurately allocated to cost centers.
  - Contract, civilian, borrowed, loaned.
  - This is particularly important in multi-service markets where sharing of personnel assets is more likely among MTFs

Operational Taskings

- Operational tempo will remain high.
- Personnel readiness can not fall.
- MTFs must plan for temporary disruptions in service due to deployments.
- MTFs must be ready to predict the impact of a deployment on internal productivity and network expenses.

Critical Processes

- The following business processes must be evaluated and optimized in every Command.
  - Appointing and telephone access
  - Referral management, case management and network expense management
  - PCM assignment
  - UM
  - Value of care capture processes (medical records management, clinical documentation, coding, and billing)
  - Implementation of Disease State Management

MTF Performance Measures and BUMED Objectives

Guiding Principles for the development of FY05 MTF Objectives

- MTF performance must be aligned with the BUMED Strategic Plan
- Performance measures must be available in a single data source wherever possible.
- MTFs must closely monitor and manage network expenses.
  - This is especially true for ambulatory MTFs.
- MTFs must improve documented productivity in a resource constrained environment.
- We must monitor and ensure continued excellence in clinical quality and operational readiness.
- The number of measures must remain small.

Key Elements of the BUMED Business Planning Strategy – FY 05

- Manage network expenses for MTF enrollees
- Improve MTF documented productivity
- Meet all operational taskings
- Improve customer satisfaction with access
- Improve critical internal processes (appointing and referral management)
- Institute evidence based medicine
- Improve data quality – the foundation.

Goals for the Business Planning Process

- During Business Planning Process with MTFs hosted by BUMED and HSOs:
  - MTFs will understand rationale for each objective and the link to the BUMED Strategic Plan.
  - MTFs will calculate a baseline and goal for each measure using the BUMED Business Planning Tool (BBPT)
  - MTFs will develop initiatives to achieve improvement in targeted measures (constrained by planning assumptions).
- During year of execution
  - MTFs will monitor performance using the MTF Performance Measures Website (being constructed)
  - MTFs/HSOs will present progress using the MTF Performance Measures along with the MTF QR as preparation for the SG's lineup.

Monitoring Enrollment and Network Management

- Per Member Per Month Network Expense for MTF Enrollees
- Enrollment
- Market share of care delivered to enrollees by MTF and other MTFs
- Total Network Expense for Enrollees

Monitoring MTF Productivity and Financial Management

- Operating Margin (Value of care produced minus the expense incurred in producing that care)
  - Clinical production (RVUs per month)
  - Operating expense (total EAS IV expenses per month)
- Adherence to the financial plan (Actual vs. planned obligations (SMART)) per month.

Outcome Measures for Operational Readiness

- EMPARTs goals for personnel readiness
- Meeting Operational Taskings
- MEPRS Salary Cost of Readiness and % of Total Salary Expense

Process Measures for Improving MTF Productivity

- Provider Productivity (Work RVUs per 8H of Provider Time)
- Provider Availability (Total MEPRS hours in clinical cost centers per provider per Month)

Customer Satisfaction

- Beneficiary satisfaction with phone access
- Enrollee satisfaction with the health plan

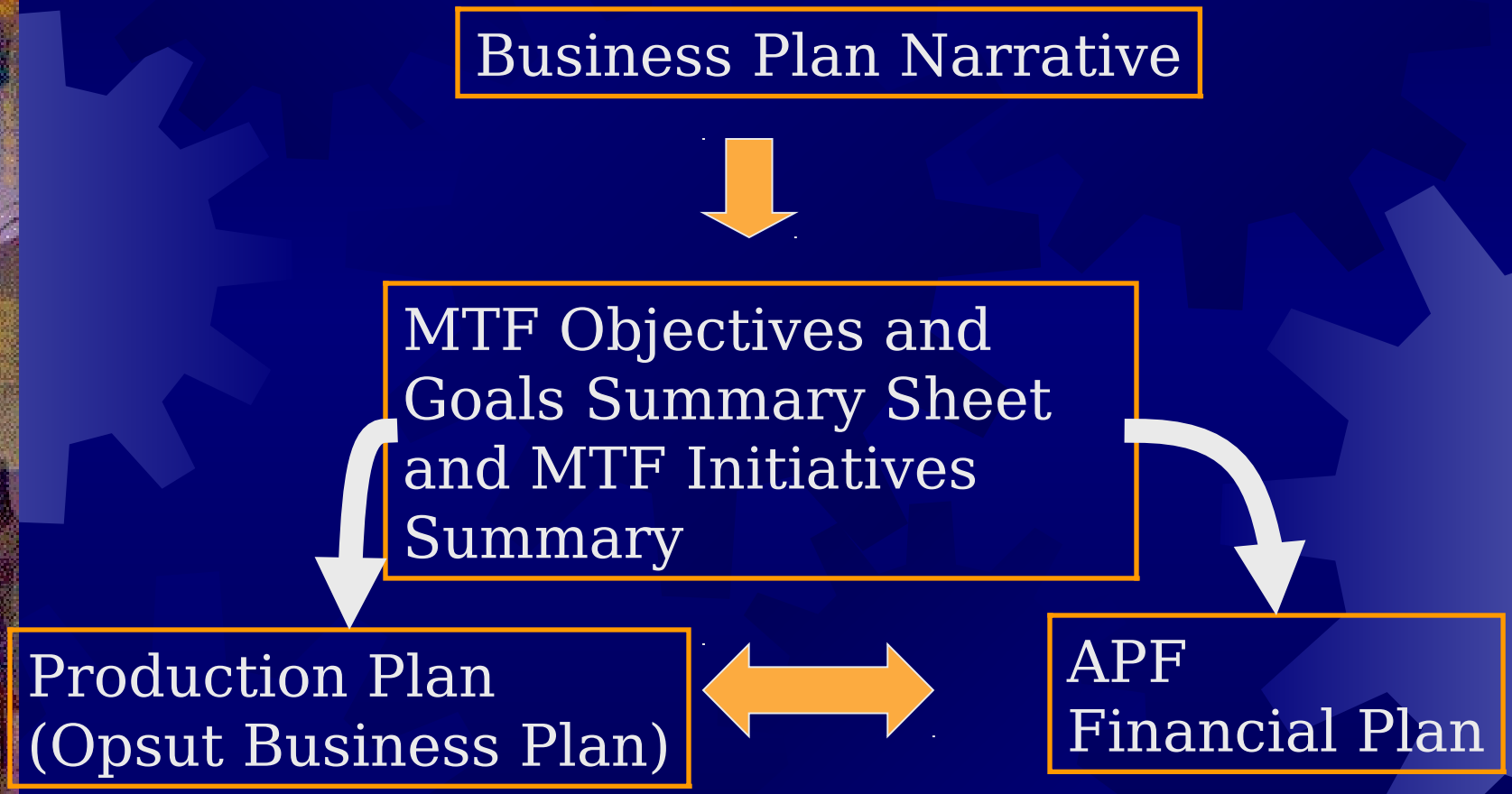
Measures of improvement in critical internal processes

- Appointment availability – TRICARE Access Standards, No Show Rate, Cancellation Rate
- Referral Management – Specialty care provided by the MTF or other MTFs vs total specialty care. Total Referrals to network per month.
- Evidence Based Medicine –
  - % of enrolled beneficiaries with DM or Asthma that are treated according to clinical practice guidelines.
  - %Adherence to Breast Health guidelines.

Measures of Growth, Development and Sustainability

- Data quality –Measures on the data quality statement.
- Staff Quality of Life

Linking the BBPT to the Opsut Production Plan and the MTF Financial Plan (APF)


Business Plan Narrative
MTF Objectives and Goals Summary Sheet and MTF Initiatives Summary
Production Plan (Opsut Business Plan)
APF Financial Plan

Required Activities

- Assess eight critical initiatives.
- Evaluate current performance using BBPT.
- Calculate baseline performance.
- If performance justifies improvement, develop specific plan in BBPT.
- Set Goal for each of the BUMED measures.
- Adjust Opsut production plan.
- Confirm adherence to the financial plan.

Eight Required Initiatives

- Manage Network Care and Referrals
- Improve Access to Care
- Improve Provider Productivity
- Improve Documented Clinical Productivity and Workload Data Quality
- Improve Expense Reporting and Quality of Resource Data
- Institute Evidence Based Medicine
- Achieve Organizational Alignment
- Improve Contingency Planning

Questions?

https://dataquality.med.navy.mil/reconcile/default.asp

user: dqmanager
password: dqmanager

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Go

Business Planning and Data Quality Applications

Business Planning and Data Quality Applications

These applications and metrics will assist you in improving your reporting of financial information, workload, and information for population health.

Please select one of the items listed below:

- BUMED Business Plan
- DMIS Id Maintenance and Reference
- DQMC Metrics
- EAS--STARSFL Reconciliation
- End of Day (FY03) Metrics
- End-of-Day (FY04) Metrics
- Potential Problems with Outpatient Coding
- Value of Care

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Accessibility Help & Info

NMIMC Data Quality Point of Contact: Bobby Wiese
FOIA Date: 9 Oct 1996

Internet
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